

BOARD OF DIRECTORS – ACTION SUMMARY
Wednesday, April 28, 2004 – 6:00 p.m.

Administration Building
2101 Hurley Way, Sacramento, CA

CALL TO ORDER

The meeting was called to order by President Stewart. Board Members present: Duveneck, Engellenner, Jones, Goold, Granados, Lawson, Stewart, Trujillo, Valley. Staff: Deputy Chief Ritter, General Counsel Price, Board Clerk Tilson.

PLEDGE OF ALLEGIANCE

**PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN
DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA**

CONSENT AGENDA:

1. Board Meeting Action Summary—April 14, 2004

- **Board Action:**
Jones/Engellenner—approve the Consent Agenda. Directors Duveneck, Engellenner, Goold, Granados, Jones, Lawson, Stewart, Trujillo, Valley, AYE. Motion carried.

ACTION ITEM(S)

1. Resolution No. 24-04 – Preliminary Budget 2004-2005—(Simcoe)

[Taken out of order after Action Item No. 4]

- Budget presentation held at the last Board meeting.
- The total Preliminary Budget is \$118,575,968.
- Staff recommends adoption of the Resolution approving the 2004/2005 Preliminary Budget.
- **Board Action:**
Valley/Duveneck—Adopt the Resolution. Directors Duveneck, Engellenner, Goold, Granados, Jones, Lawson, Stewart, Trujillo, Valley, AYE. Motion carried.

2. Bid Award-Vehicle Intercom Systems—(Ritter)

- In response to a Request for Bids including specifications that detailed the specific parts and equipment required, the following bids were received:

Day Wireless Systems	\$46,454.69
Radio Mate	\$46,970.92
KR Nida Companies	\$52,802.77

Staff evaluated the bids and Day Wireless Systems was selected because they are the lowest responsive bidder, and met all of the required specifications.

- Staff recommends the Fire Chief be authorized to contract with Day Wireless Systems for the purchase of the ten vehicle intercom systems and supplies.
- **Board Action:**
Engellenner/Valley—approve the staff recommendation. Directors Duveneck, Engellenner, Goold, Granados, Jones, Lawson, Valley, Stewart, Trujillo, AYE. Motion passed.
- Director Trujillo requested information on the number of hours it takes to install each unit in a new vehicle.

Captain Baumann to provide a report.
- In response to Director Lawson, Counsel Price stated our Purchasing Policy is in accordance with State law and requires that the bid be awarded to the lowest responsive and responsible bidder; measures are taken to make that determination but no formal pre-qualification document is in place.

3. Resolutions to Acquire Real Property and Designate the Fire Chief to Sign Legal Documents on Behalf of the District—(Horel)

- Staff recommends adoption of two resolutions to authorize the purchase of the following adjacent real properties for use as a District fire station site:

<u>Fire Station Location</u>	<u>Parcel Size</u>	<u>Address</u>	<u>Purchase Price</u>
Greenback Lane, Orangevale	1.82 acres	8645 Greenback Ln.	\$ 910,000.00
Greenback Lane, Orangevale	3.34 acres	8681 Greenback Ln.	\$ 1,250,000.00

- The total purchase price is \$2,160,000, with some minor closing costs at the close of escrow. A subsequent Board action will be presented for a budget augmentation of approximately \$2,210,000 from the Capital Improvement Fund prior to the close of escrow in June 2004.

- A site drawing was distributed to the Board for the proposed Fire Station 29 anticipated to be built on the front portion of the property with access on Greenback Lane.
- A. **Resolution No. 25-04—Authorize Property Purchase at 8645 Greenback Lane**
- **Board Action:**
Engellenner/Jones—adopt the Resolution. Directors Duveneck, Engellenner, Goold, Granados, Jones, Lawson, Valley, Stewart, Trujillo, AYE. Motion passed.
- B. **Resolution No. 26-04—Authorize Property Purchase at 8681 Greenback Lane**
- **Board Action:**
Engellenner/Jones—adopt the Resolution. Directors Duveneck, Engellenner, Goold, Granados, Jones, Lawson, Valley, Stewart, Trujillo, AYE. Motion passed.

Discussion

- Public works contracts are subject to compliance with State law.
 - Director Granados stated he would like to review the general specifications when developed for the first two projects, Stations 32 and 107, prior to tentatively going out to bid in November, 2004.
 - Director Trujillo inquired about use of the State Department of Industrial Relations documentation on responsible bidder language.
- Counsel Price stated the District incorporates many of the same questions within our bid process resulting in the same information used to determine a responsible bidder without incurring the cumbersome process of formal pre-qualification subject to possible lengthy challenge.
- Concern was expressed for the need of qualified contractors with a history of contract delivery.
 - Informed the Board that there is an advertisement in today's Sacramento Bee in the Public Notices section for the sale of District surplus property in Carmichael behind Station 109. Bid opening on May 11, 2004.

4. 2004 Workers' Compensation Actuarial Report—(Appel)

- A two-page staff report was submitted by Deputy Chief Appel accompanied by a comprehensive Actuarial Report prepared by Bickmore Risk Services.
- Based on a probability confidence level of 25% as of July 1, 2004, the actuarial study has estimated nearly \$2 million of additional reserves will be necessary to fund the District's 2004/05 dedicated reserve obligation to the confidence level of 85% that the District enjoyed in Fiscal Year 2002/03.
- To assure the District meets its financial obligations required of its Self-Insured Workers' Compensation program, a biennial actuarial study is conducted in the even numbered years evaluating historical information in formulating estimates of potential exposures and examines the impacts of legislative changes that will affect benefit obligations to injured workers.
- Michael Harrington, Chief Actuary with Bickmore Risk Services, presented an overview of the conclusions and recommendations contained in the Actuarial Review of the District's Self-Insured Workers' Compensation Program. The District's estimated liability for unpaid loss and loss adjustment expenses as of June 30, 2004, is \$6,086,000 with available funding of \$4,380,000; on July 1, 2004, there will be a \$2 million contribution to the fund. A plan to increase the contributions over \$2 million per year is needed during the next four-five years to compensate for the deficit. The loss for 2004-05 is bigger because the estimate includes the Excess Insurance that the District opted not to purchase.
- Staff recommends establishment of 75% to 85% as the desired confidence level for the District's Workers' Compensation program. Annually, transfer allocated funds for Excess Insurance, when not purchased, and any fund balances from Worker's Compensation accounts into our dedicated Workers' Compensation Reserve Account. Continue that process until such time as the Reserve Account balance and Excess Insurance, when economically sound for purchase, actuarially fund our desired confidence level.
- **Board Action:**
General consensus to accept the report and refer the dedicated Reserve Account issue to the Finance Committee for a recommendation on handling the reserves in the future.

PRESENTATION ITEM(S):**1. COMMUNICATIONS CENTER EVALUATION COMMITTEE—
(Appel/Engellenner)**

- The Communications Center met yesterday. Deputy Chief Appel served on the Committee to evaluate the Communications Center Manager applications, with interviews on May 28.
- Evaluation Committee members:
 - Fire Chief (Retired) Jim Templeton – Galt Fire Protection District
 - Deputy Chief George Appel – Sacramento Metropolitan Fire District
 - Assistant Chief Leo Baustian – Sacramento City Fire Department
 - Fire Captain Tracey Hansen – Elk Grove Fire Department (Elk Grove CSD)
- Deputy Chief Appel referred to a two-page briefing report from the Evaluation Committee Team to the Comm Center Personnel Committee and Board.
- Received 134 applications. Based on the written information submitted, the Committee is recommending, in descending order, the following three candidates for consideration by the Communications Center Board:

Walter L. Mouton, Jr. – Communications Center Manager, Kern County Fire Department
Barry T. Furey – Exec. Director, Knox County TN Emergency Communications District
Paul Stein – Business Operations Manager, City of Portland

The following two individuals warrant further consideration if none of the three top-rated candidates meet the Board's expectations:

William E. Harry – Telecommunications System Manager II, California Highway Patrol
Joe Gear – REDCOM Fire & EMS 9-1-1 Communications Center (Sonoma County)

Further recommending a Center Board member and the Operations Manager conduct site visits to the three candidates' facilities to meet and gather additional information from the candidate, their co-workers, associates and supervisors. Personal observations could reveal strengths or weaknesses not assessed through evaluation of the submitted written materials.

The Board approved three members for the site visits: Board Director Dale Templeton, Operations Manager Penny Adams, and Fire Captain Tracey Hansen.

- Director Engellenner – Interviews at the Communications Center on Friday, May 28, 9 a.m., with 2-hours per candidate.

Deputy Chief Means offered free HR investigator services for background checks with a savings of around \$500 per candidate.

Hiring date may be July 15 instead of July 1 due to time constraints.

- Director Duveneck suggested the candidates be presented with small vignettes to demonstrate their ability to analyze issues, using the same interview committee for a standardized evaluation score.

Chief Appel stated the Comm Center Board will be doing the interviews of each candidate.

- **Board Action:**
Direction given to Director Engellenner to cast final vote on behalf of Sacramento Metropolitan Fire District for the new Communications Center Manager.

On behalf of the Board, President Stewart thanked Director Engellenner and Deputy Chief Appel for their good work.

PRESIDENT'S REPORT—(Stewart)

- May Board meetings—will be gone with Vice President Jones presiding.

FIRE CHIEF'S REPORT—(Deputy Chief Ritter)

- April 27 – Wildland Fire Season formally declared for Metro Fire.

- Correspondence distributed to Board members:

Invitation to attend the Promotion Ceremony for six employees on May 4, 2004 at 6:30 p.m. in the Administration Building Board Chambers.

Invitation to the Carmichael Independence Day Parade on Saturday, July 3, 2004, starting at 10:30 a.m., from the corner of Marconi and Fair Oaks Boulevard. Interested participants requested to notify staff for an accurate count.

GENERAL COUNSEL'S REPORT—(Price)**▪ SB-1272—Senator Ortiz**

Update from the Board Workshop report. This bill changes some special district governance practices. Language previously found objectionable has been amended out. The bill now focuses primarily on the audit requirements for the District. CPAs and other special districts are working on some technical problems but we are not affected since we have an audit every year. Ethics training for the Board will be required every two years as well as certain executive staff determined by the Board. A number of mechanisms will be provided on the internet to obtain this. Retained the whistleblower provisions. Formal written document to be provided.

COMMITTEE AND DELEGATE REPORTS:**Executive Committee—(Stewart)**

- Next meeting: TBA

Communications Center Delegate—(Engellenner)

- Binding arbitration case—employee terminated over a year ago was reinstated with only a 15-day suspension.
- Board to be kept updated on the budget.
- Next Meeting: May 25, 2004 – 10:30 a.m.

California Fire & Rescue Training Authority—(Goold)

- Next Meeting: June 7, 2004 – 10:00 a.m.

Finance Committee—(Jones)

- Next Meeting May 26, 2004 at 5:00 p.m.

Policy Committee—(Granados)

- Reminder from the Workshop meeting—need strategic objectives from each Board member for consideration at the next meeting.
- Next meeting: May 12, 2004 – 5:00 p.m.

BREAK – RECESS TO CLOSED SESSION 7:30 PM

RECONVENE TO OPEN SESSION 9:02 PM

Report by General Counsel Price:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(a) – Two (2) Cases

- a. Gary Monk vs Sacramento Metropolitan Fire District
Sacramento County Superior Court Action No. 04AS00665

Postponed until the next Closed Session.

- b. James J. Learmonth vs. Sacramento Metropolitan Fire District
WCAB SAC 0324418

The Board consulted with the staff attorney as well as Workers' Compensation counsel and provided direction to staff. No further action.

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Subdivision (b) of Section 54956.9 – One (1) Case

Board discussed this anticipated litigation, with direction to staff. No formal action taken.

BOARD QUESTIONS AND COMMENTS**Lawson:**

- Attended the Comm Center meeting. The Evaluation Committee did an outstanding job on the Comm Center Manager position. Thanked Director Engellenner on behalf of the Board.

Trujillo:

- Third Women of the Trades Conference was held last week in conjunction with the Apprenticeship Program, bringing together all the women in the Building Trades crafts with over 500 people this year. He performed 65% of the physical agility tests.

Granados:

- Thanked Janice Simcoe for all her help and providing him with the last of her main budget spreadsheets.
- Reminder to get the Strategic Objectives to the Policy Committee.

Jones:

- Thanked Chief Dobson and members of the Sacramento Metro Fire District who attended the memorial service for Dave Roberts.
- Commended Assistant Chief Janice Simcoe. Working with her over the last several years has been excellent. To ensure the presence of all senior staff, the Fire Chief, and all Board members, a more official commendation is forthcoming. A verbal "Thank You" to Chief Simcoe.

Stewart:

- He has known Janice since probably 1970 when she came to work for Carmichael, advancing to bigger and better things at Arcade Fire District and American River. She has done a fine job; well liked and respected in her field.
- Strategic Objectives reminder.

Engellenner:

- Thanked Deputy Chief Appel for an excellent job in serving on the Communications Center Evaluation Committee.

Duveneck:

- Echoed Board sentiments on the professionalism of Janice Simcoe who will be greatly missed.
- Thanked personnel he encountered from Station 110 for their congeniality.
- James Daughenbaugh, one of the candidates he ran against for Supervisor, passed away. Officially he offered his personal condolences to his family and on behalf of Metro Fire.

ADJOURNMENT:

The meeting was adjourned at 9:20 p.m. in memory of Dave Roberts and James Daughenbaugh.

James M. Stewart, President

H. Peter Engellenner, Secretary

Charlotte Tilson, Clerk of the Board